

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

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Only

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PRIORITY PREFERENCE RATING GIVEN CANNERS FOR EMERGENCY REPAIR PARTS

A-10 Classification Granted Twenty Industries Under New Plan Effective September 9

A new plan to grant priority assistance for repair work in certain essential industries was announced September 9 by Donald M. Nelson, director of priorities. The new plan takes the place of the Maintenance and Repair Order announced August 8, but which never was actually issued because of administrative difficulties in handling the paper work it would have involved.

The new plan, which becomes available immediately, is set up along simple lines. It provides machinery under which priority status for repair work in 20 industrial classifications (including canning) may be obtained, so that firms and agencies in these classifications may obtain repair parts promptly.

The revised scheme permits qualified producers or suppliers to apply a preference rating of A-10 to deliveries of required repair parts by endorsing a special statement on purchase orders, certifying that the material being ordered is for repair work under the terms of the order, P-22.

The order can be used also to get deliveries for "emergency inventory."

Repairs are defined in the order as those needed because of an actual or imminent breakdown. Emergency inventory is defined as the minimum inventory of material required to provide for repairs to meet actual or imminent breakdown.

The present order is designed primarily to protect industry against sudden breakdowns and is regarded as an interim measure. The entire inventory problem is to be studied further with a view to providing broader priority assistance. It is felt, however, that the present plan will keep the essential industries covered running on their normal basis

and will prevent serious interruption to defense production by giving producers a simple method for obtaining vital repair parts.

The order itself, reproduced below, should be read carefully by all those who are to operate under its terms. The industries covered are listed specifically. Other classifications may be added from time to time, and special orders may be worked out to meet problems in certain industries.

Reference Rating Order No. P-22 is as follows:

For the purpose of facilitating the acquisition of material for the repair of the property or equipment of certain industries and services hereinafter specified, a preference rating is hereby assigned to deliveries of material for such purpose upon the following terms:

(a) Definitions.

(1) "Producer" means any individual, partnership, association, corporation, governmental unit, or other organization

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SURVEY OF CANNERS' EQUIPMENT NEEDS

Association Assists Government in Obtaining Data on Requirements for 1942

At the request of the Department of Agriculture, the National Canners Association has prepared a questionnaire going to all canners, which asks for information on their machinery and equipment needs for operations in 1942. The information is desired for use in a study the Department of Agriculture is making of the needs for metals in 1942 and succeeding years for processing agricultural products. The questionnaire covers:

1. What new machines and equipment will be needed if the canner operates the same lines of machinery in 1942 as in 1941; an estimate of repair parts needed to maintain efficient operation of these lines; the approximate number of cases the canner can pack on these lines if he operates at full capacity consistent with practical conditions.

2. How many lines of the canner's machinery were not operated in 1941 that can be operated in 1942; estimated repairs needed to put these lines into operation and to maintain them through 1942; types of products and approximate number of cases the canner can pack on these lines.

3. How much more the canner can pack in 1942 than was packed in 1941 if all present machinery is maintained and operated without adding new lines (the amount to be stated separately for fruits, vegetables, fish, meat, and other products).

4. If the canner plans to build any new plants or to add any new lines of machinery for 1942, what machines and equipment does he plan to purchase; estimated amount that canner expects to pack in these lines (the amount to be

Emergency Repairs

In the event of breakdown and when repairs are needed *immediately* to prevent stoppage of operations, canners should inquire of their suppliers if immediate delivery can be made with endorsement authorized in Order P-22. If delivery within reasonable time can not be made on the A-10 Rating provided in Order P-22, the canner should wire the National Canners Association the following information: Name of repair parts needed, materials used in making the parts, and name of firm from whom ordered. The Association will then contact the proper O.P.M. official and endeavor to obtain immediate action.

stated separately for fruits, vegetables, fish, meat, and other products).

The questionnaire is accompanied by the following letter from the secretary of the National Canners Association:

"Canned foods are indispensable to national defense. Throughout the history of the canning industry wars, floods and other catastrophes have served to emphasize the importance of canned foods in feeding large groups of people. It is logical, therefore, that the canning industry should be classed as one of the vital defense industries.

"The success of the national defense program depends in large part on proper coordination of production in all the defense industries. The Government, in directing this defense program, must know the present capacity and the potential productive capacity of all the industries directly or indirectly engaged in building up the defense of the nation.

"The canning industry has successfully adjusted its production in 1941 to the unusual demands of Lend-Lease purchases and for the Army and Navy despite extreme difficulties in obtaining machinery and equipment. The Government is asking for further increases in 1942. Canners are likely to face greater difficulties next year in obtaining machinery and equipment than were experienced in 1941.

"It should be pointed out, however, that any contemplated expansion in production should be taken care of, so far as possible, by the utilization of present machinery and equipment. Installation of new lines for emergency production should be made only as a last resort because of the difficulties in amortizing the investment and because of the prospects of having such machinery idle after the emergency has passed.

"The Department of Agriculture has requested, in a letter dated September 8, that the National Canners Association make a detailed survey of the canning industry to determine what metals and materials will be needed by the industry for the 1942 season. It is imperative that this information be assembled immediately, as definite plans for allocating strategic metals to the industry can not be made until the industry's requirements are tabulated by the Department of Agriculture. Will you therefore please fill in the enclosed questionnaire *immediately* and mail it in the enclosed franked envelope?"

The Supply Priority and Allocations Board on September 10 instructed Executive Director Donald M. Nelson to compile full schedules of both military and civilian requirements—an all-inclusive survey of the nation's total needs under the defense program.

Compilation of SPAB's requirement schedules will call for action on the following two levels, the news release stated:

1. A detailed outlining of both civilian and military needs, including procurement schedules for Army, Navy and Air Force items, and including also such goods as are to go abroad under the Lend-Lease and Defense Aid programs.

2. Both the military production schedules and the statements of civilian requirements are to be broken down into schedules of the raw materials, labor and machinery needed for their production.

Pacific Fisheries Meeting Set for November 4

The annual meeting of the Association of Pacific Fisheries will be held November 4 at Hotel Del Monte, Del Monte, Calif., preceded by the traditional two-day golf tournament.

PRIORITY PREFERENCE RATING GIVEN

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engaged in one or more of the following industries and services, and such other industries and services as may be added from time to time by supplement to this order:

- (i) The following Federal, State, county, and municipal services: fire and police services; highway maintenance.
- (ii) Carriers: (a) Urban, suburban, interurban, and intercity common, contract, and private carriers of passengers or freight by electric railway, electric coach, motor truck, or bus, including terminals. (b) Railroads, including terminals. (c) Shipping—commercial carriers of freight and passengers by ocean, lake, river, or canal, including terminals.
- (iii) Chemicals—plants engaged in producing chemicals by chemical processing of raw materials.
- (iv) Coke converting.
- (v) Educational institutions (including vocational training).
- (vi) Explosives—plants engaged in manufacturing explosives.
- (vii) Farm machinery and equipment—plants engaged in manufacturing farm machinery and equipment.
- (viii) Food processing or storing—plants engaged in any of the following: milling, refining, preserving, refrigerating, wholesaling or storing of food for human consumption or livestock feed.
- (ix) Highway maintenance and equipment—plants engaged in the production of equipment used in highway maintenance.
- (x) Hospitals, clinics and sanatoriums.
- (xi) Lumber—plants engaged in the production of lumber (including planing, drying, storing, and treating of lumber), cooperage, plywood, and millwork.
- (xii) Metallurgy—plants engaged in the production of metals and alloys.
- (xiii) Mines and quarries (including ore dressing or processing plants and smelting facilities).
- (xiv) Newspapers—plants engaged in the publication of newspapers.
- (xv) Petroleum production, refining and transportation—plants and equipment used in petroleum production, refining and transportation.
- (xvi) Radio—commercial broadcasting and communication (not including home receiving sets).
- (xvii) Research laboratories—industrial and academic.
- (xviii) Rubber and rubber products—plants engaged in the production of rubber and rubber products including reclaimed and synthetic rubber.
- (xix) Shipyards and ship repair yards engaged in building and repairing ships (excluding yards devoted principally to pleasure craft).
- (xx) Telephone and telegraph communication.

(2) "Material" means any commodity, equipment, accessories, parts, assemblies, or products of any kind.

(3) "Repairs" means only repairs needed because of an actual or imminent breakdown, from whatever cause, of a producer's property or equipment.

(4) "Emergency inventory" means minimum inventory of material required to provide for repairs to meet an actual or imminent breakdown, from whatever cause, of a producer's property or equipment.

(5) "Supplier" means any person with whom a purchase order or contract has been placed by a producer or any supplier for:

- (i) Material to be used for repairs;
- (ii) Material required for a producer's emergency inventory;
- (iii) Material to be physically incorporated in other material which is to be used for repairs or which is required for a producer's emergency inventory.

(b) *Assignment of Preference Rating*

Subject to the terms of this order, Preference Rating A-10 is hereby assigned (1) to deliveries to a producer of material required by him for repairs or for his emergency inventory; (2) to deliveries to a supplier of material which is, in turn, to be delivered to a producer for repairs or for his emergency inventory or to be physically incorporated in material to be so delivered.

(c) *Persons Entitled to Apply Preference Rating*

The preference rating hereby assigned may be applied by (1) a producer; (2) a supplier, provided that he requires the material so purchased in order to make deliveries duly rated pursuant to paragraph (b).

(d) *Application of Preference Rating*

(1) A producer in order to apply the preference rating to a delivery of material to him must endorse the following statement on the original and all copies of the purchase order or contract for such material signed by a responsible official duly designated for such purpose by such producer:

"Purchase Order for Repair or Emergency Inventory. Preference Rating A-10 under Preference Rating Order P-22."

Such endorsement shall constitute a certification to the Office of Production Management that such material is required for the purposes stated therein. Any such purchase order or contract shall be restricted to material the delivery of which is rated in accordance herewith.

(2) A supplier in order to apply the preference rating to a delivery of material to him must endorse the following statement on the original and all copies of the purchase order or contract for such material signed by a responsible official duly designated for such purpose by such supplier:

"Purchase Order for material required, to fill a duly rated order for Repair or Emergency Inventory. This purchase order bears Preference Rating A-10 under Preference Rating Order P-22."

Such endorsement shall constitute a certification to the Office of Production Management that such material is required to fill an order placed by a producer or supplier duly rated in accordance herewith. Any such supplier's purchase order or contract shall be restricted to material the delivery of which is rated in accordance herewith.

(3) A producer or supplier placing any such rated purchase orders or contracts and the supplier selling the material covered thereby, must each retain endorsed copies of such purchase orders or contracts segregated from all other purchase orders or contracts for a period of two years from the date thereof for inspection by authorized representatives of the Office of Production Management.

(e) *Restrictions on Application of Rating*

The preference rating hereby assigned shall not be applied (1) by a producer to obtain material in excess of his requirements for repairs or for his emergency inventory; (2) unless the material to be delivered cannot be obtained when required without such rating; (3) by a supplier to obtain material in excess of the amount necessary to make rated deliveries.

(f) *False Statements and Penalties*

Any person who applies the preference rating hereby assigned in wilful violation of the terms and provisions of this order, or wilfully falsifies records required to be kept or information to be furnished pursuant to this order, or who obtains a delivery of material by means of a material and wilful misstatement, will be prohibited from further applying said rating. Such person may also be prohibited from obtaining further deliveries of material under allocation and be deprived of any other priorities assistance. The Director of Priorities may also take any other action deemed appropriate, including the making of a recommendation for prosecution under Section 35A of the Criminal Code (18 U. S. C. 80).

(g) *Revocation or Modification*

This order may be revoked or amended by the Director of Priorities at any time in whole or in part or in its application to any producer or any supplier. In the event of revocation, or upon expiration of this order, deliveries already rated pursuant to this order shall be completed in accordance with said rating, unless the rating has been specifically revoked. No additional applications of this rating to any other deliveries shall thereafter be made by any producer or supplier affected by said revocation or expiration.

(h) *Effective Date*

This order shall take effect on the 9th day of September, 1941, and unless sooner revoked shall expire on the 28th day of February, 1942.

All Preference Ratings Made Mandatory

Donald M. Nelson, director of priorities, issued a new regulation September 10 which makes all preference ratings mandatory and declares valid all preference rating certificates issued during the period of transition, over the signature of E. R. Stettinius, Jr., former director. It is expected that the new legal power to make ratings mandatory will be of great assistance in effecting strict enforcement of all priority rules and regulations. Increased emphasis is to be put on enforcement of orders and compliance by those affected.

Under the original legislation for priorities, mandatory preference ratings were assigned only for Army and Navy contracts.

Preference ratings issued for civilian contracts, for foreign government contracts, and for other United States governmental contracts, were based upon the voluntary cooperation of the persons concerned.

Because of increasing shortages, additional powers were required to deal with the problem. These powers were granted in the "Vinson Bill" and have now been vested in the Priorities Division.

ARMY ISSUES NEW PEA INVITATION

Second Offers of Other Vegetables to be Asked
Soon—Resume of Awards Made to Date

The Chicago Quartermaster Depot is issuing an invitation for bids on 500,000 cases of peas in No. 2 cans, or the equivalent quantity in No. 10's. Bids will be opened September 23. The invitation contains the same specifications as that issued August 4 except for the reference to "futures." It calls for Extra Standard grade, either Early or Sweet variety; Early variety to be No. 3 size, and Sweet variety not smaller than No. 3 and may be "pod run." The Association announced this new invitation to all pea canners in a special bulletin as soon as it was made known, stating that satisfactory offerings on the quantity sought through this invitation will complete the Army's current pea-purchasing program through the Chicago office and pointing that it is to the interest of the industry as well as the Government that offerings under the new invitation be adequate to cover the Army's needs.

The Army also will issue second invitations shortly for bids on lima beans, snap beans, tomatoes, spinach, corn, and sweet potatoes.

The following resume of the results of recent Army invitation to bid on a variety of canned foods, prepared for release by the War Department, has been made available to the INFORMATION LETTER through the courtesy of J. Howard Hamilton, special adviser to the Division of Purchases, Office of Production Management:

San Francisco Central Purchasing Depot

	Quantity requested Dozens	Quantity awarded and negotiated Dozens
Apricots:		
No. 10	56,464	8,768
No. 2½	78,968	250,676
Cherries:		
No. 10	6,708	5,925
No. 2½	43,134	45,954
Peaches:		
No. 10	259,954	116,875
No. 2½	268,712	408,814
Pears:		
No. 10	107,328	76,800
No. 2½	233,982	233,982
Prunes:		
No. 10	49,091	49,091
No. 2½	9,654	9,654
Pineapple, Fancy, sliced:		
No. 10	125,556	82,337
No. 2½	414,146	593,360
No. 2	None	127,200
Pineapple, Fancy, crushed:		
In juice (No. 10)	21,150	11,391
In syrup—		
No. 2½	86,000	77,600
No. 2	None	70,400
Asparagus:		
No. 1 Tall	56,862	None
No. 2 Tall	21,044	None
No. 10	624	None
Salmon:		
Reds (No. 1)	100,000	100,000
Coho (No. 1)	544,000	17,640
Chum (No. 1)	140,000	62,000
Tuna:		
Fancy (13 oz.)	410,260	177,800
Standard (13 oz.)	None	30,000

We do not have complete figures on awards and negotiations on peaches at the moment because on our first invitation our specifications for Freestone were not correct and all canners bidding on this variety were asked to withdraw their bids. Later, the specifications were corrected and a second invitation issued. The figures shown, plus information just received, indicate that requirements will be covered.

The above quantities awarded and negotiated for apricots, cherries, pears, pineapple and prunes represent the Army's anticipated requirements. At this time, it is not expected that invitations for any additional quantities will be issued from the Central Purchasing Office. The Army is exceedingly grateful for the splendid cooperation of the Pacific Coast fruit canners in making it possible to procure the merchandise needed.

Bids received on asparagus were considered too high so it was decided to discontinue the item until a new crop becomes available next spring.

Army buyers in Seattle are accepting all No. 1 Coho and Chum salmon offered at reasonable prices, and while we do not have figures on the actual quantities obtained to date, they are considerably higher than indicated above. Salmon canners have been very cooperative.

Chicago Central Purchasing Depot

Peas—Second central invitation No. 199-42-58, issued Aug. 4, opened Aug. 19; Extra Standard, Type I or Type II (Type I variety must be No. 3, Type II may not be smaller than No. 3 and may be "pod run"):

	Dozens
Quantity requested (No. 10) or as an alternate (No. 2)	351,300 1,844,300
Quantity offered—	
No. 10	61,160
No. 2	1,545,052
Quantity awarded and negotiated—	
No. 10	17,040
No. 2	1,168,614

Responses from some sections were very gratifying, but others very disappointing. The Chicago office is issuing another invitation on this item. Bids are to be opened on September 23.

Beans, Snap—Invitation No. 199-42-62, issued Aug. 6, opened August 21; Extra Standard, Type I (round) green or wax, Style I (cut) size 3, 4, 5 or ungraded for size:

	Dozens
Quantity requested (No. 10) or as an alternate (No. 2)	200,000 1,063,200
Quantity offered—	
No. 10	54,970
No. 2	159,922
Quantity awarded—	
No. 10	16,500
No. 2	54,672

Obviously, responses were decidedly disappointing. Because of poor crop conditions early in the season, this is understandable. Present reports are that conditions are now much more favorable so a second invitation will be sent out.

Tomatoes—Invitation No. 199-42-64, issued Aug. 7, opened August 22; Extra Standard Grade, Type I:

	Dozens
Quantity requested (No. 10) or as alternates—	549,000
No. 2½	2,000,000
No. 2	2,947,400
Quantity offered—	
No. 10	119,400
No. 2½	441,600
No. 2	215,700
Quantity awarded—	
No. 10	69,600
No. 2½	236,600
No. 2	98,000

Several new bidders responded on this item but in order for the Army to obtain its requirements it is going to be necessary for every canner to offer his proportionate share on the next invitation, which will be issued shortly.

Catsup and Tomato Juice—Invitation No. 199-42-66, issued Aug. 7, opened Aug. 22; Catsup, Fancy Grade, Type I; Tomato juice, Fancy Grade:

	Dozens
Quantity requested (No. 10)	30,000
Quantity offered (No. 10)	65,050
Quantity awarded (No. 10)	30,000
Juice—	
Quantity requested (No. 10)	240,500
or as alternates—	
46 oz.	548,900
24 oz.	1,052,000
Quantity offered—	
No. 10	172,340
46 oz.	105,500
24 oz.	93,200
Quantity awarded—	
No. 10	123,860
46 oz.	6,000
24 oz.	44,000

Beets—Invitation No. 199-42-61, issued August 6, opened August 21; Fancy Grade, Style II (sliced), Style III (quartered) or Style VI (cut):

	Dozens
Quantity requested (No. 10)	60,000
or as an alternate (No. 2½)	222,900
Quantity offered—	
No. 10	61,007
No. 2½	103,392
Quantity awarded—	
No. 10	35,307
No. 2½	61,754

It is not anticipated that additional quantities will be required.

Beans, Lima—Invitation No. 199-42-65, issued August 6, opened August 21; Extra Standard, Type I (fresh lima beans) not larger than medium, pod run acceptable:

	Dozens
Quantity requested (No. 10)	63,500
or as an alternate (No. 2)	333,300
Quantity offered—	
No. 10	31,300
No. 2	151,618
Quantity awarded and negotiated—	
No. 10	9,800
No. 2	99,622

Within the next few days a second invitation will be issued on this item.

Spinach—All bids were rejected. It is hoped requirements can be covered from the fall crop, at which time a new invitation will be issued.

Corn—Invitation No. 199-42-41, issued July 24, opened August 20; Extra Standard Grade, Style I (Cream), Style II (Whole Grain), color White or Golden in No. 2 cans, also Whole Grain White or Golden in No. 10 cans:

	Dozens
Quantity requested—	
No. 2 Cream Style or Whole Grain	2,095,200
No. 10 Whole Grain	388,000
Quantity offered—	
No. 2 Cream Style	1,085,970
No. 2 Whole Grain	286,800
No. 10 Whole Grain	40,980
Quantity awarded and negotiated—	
No. 2 Cream Style	820,270
No. 2 Whole Grain	66,000
No. 10 Whole Grain	11,000

Offerings were much lighter than was anticipated. Only one State offered its proportionate share and it is hoped that the other corn producing States will take advantage of another invitation that will be issued shortly and bid large enough quantities to assure the Army of getting its total requirements.

Sauerkraut—131,100 dozen No. 10's, with alternate of 480,700 dozen No. 2½'s was the quantity invited; 159,000 dozen No. 10's and 318,000 dozen No. 2½'s were offered; and the awards were 120,800 dozen 10's and 10,200 dozen 2½'s.

Pumpkin—The invitation called for 300,100 dozen No. 2½'s; 547,083 dozen were offered and 300,100 dozen were awarded.

Sweet Potatoes—Practically no spots offered. New invitation will be issued at a later date.

FSCC Asks for Canned Pineapple Offers

The Federal Surplus Commodities Corporation has announced that it invites offers of canned pineapple. Offers must be in the hands of the Purchasing Agent, FSCC, Department of Agriculture, Washington, D. C., on or before September 23 for acceptance September 25. Another invitation also has gone out for offers of canned prunes in No. 10 cans which must be tendered on or before September 22 for acceptance September 24. Canned prune deliveries are to be made over a period beginning October 1 and ending December 15.

The purchase this week of 2,064,000 pounds of dried pears marks the first time this product has appeared in the Department of Agriculture's weekly record of acquisitions by the Surplus Marketing Administration, through FSCC, presented in the following table of selected commodities:

TOTAL PURCHASES—SELECTED COMMODITIES

	Sept. 6–Sept. 11	Mar. 15–Sept. 11
Apples, fresh (bushels)	29,513	1,553,268
Beans, dry (bags)	4,900	1,807,059
Beans, snap (bushels)	273	1,877
Beets, fresh (bushels)	5,763	74,754
Cabbage, fresh (bushels)	511	154,500
Carrots, fresh (bushels)	6,716	71,514
Corn, fresh (bushels)	1,764	27,598
Fish, canned, futures (cases)*	219,524	529,024
Milk, evaporated (cases)	366,000	5,303,150
Peaches, canned (cases)	92,515	99,315
Peaches, fresh (bushels)	25,861	619,587
Pears, dried (pounds)	2,064,000	2,064,000
Pork, canned (pounds)	6,892,340	106,401,532
Tomatoes, fresh (bushels)	5,682	29,020

*Species not specified.

Marines Invite Bids on Canned Foods

The Quartermaster of the U. S. Marine Corps, Navy Bldg., Washington, D. C., has issued invitations to bid on a variety of canned foods. Expressed in cases, No. 10's, quantities sought are as follows: 15, apple butter; 25, bamboo shoots; 25, bean sprouts; 100, red kidney beans; 100, blackberries; 200, blueberries; 150, cherries; 200, chili con carne; 100, figs; 200, corned beef hash; and 200, hominy. Also 15 cases 2½'s, hominy; 125 cases 15-oz. cans and two cases 4-oz. cans, pimientos; 167 cases 5's, spaghetti sauce; 35 cases, 2's, tomato paste; 200 cases, pork and beans in 20-ounce cans; 55 cases, mushrooms in 8-ounce cans; and 10 cases, 2's, carrots.

Bids will be opened September 19 and deliveries of specified quantities are to be made to Marine Barracks at Quantico, Va., Paris Island, S. Car., and Sewell's Point, Va.

PAYROLL RECORD-KEEPING REVISED**New Wage and Hour Regulations Simplify Methods in Some Cases; Amplify in Others**

Revision of the record-keeping regulations under which 350,000 employers must keep payroll and other records is announced by General Philip B. Fleming, administrator of the Wage and Hour Division, U. S. Department of Labor. The new regulations in several instances simplify present requirements. In others, they call for the recording of additional information. They apply to all employers who have employees engaged in interstate commerce or in the production of goods for interstate commerce.

"About one-fourth of the 48,000 inspections we made in the last fiscal year showed employers in technical violation of the Act through failure to keep prescribed records," General Fleming said. "Our requirements in the matter of payroll records are very simple. No special order or form of records has been required or is required in the new regulations. However, we must have accurate information on the number of hours employees have worked. Employers paying on a salary, piece-work, or other production base have in many cases failed to realize this. An important part of the work of our men on inspections is education in the matter of keeping payroll records to satisfy the purposes of this law."

A new requirement of the regulations is that "each employer shall . . . preserve for at least two years from the last date of entry the originals or true copy of any and all customer orders or invoices received, incoming or outgoing shipping or delivery records, as well as all bills of lading, and all billings to customers (other than 'cash') which the employer retains or makes in the course of his business or operations." Preservation of these records is required to enable Wage and Hour inspectors to determine if the Act applies at any given time.

An explanatory bulletin issued with the new record-keeping regulations points out that compliance with these regulations does not relieve the employer of the record-keeping requirements of other Federal agencies such as those of the Bureau of Internal Revenue in the matter of Social Security taxation or State or municipal regulations.

The bulletin emphasizes that there is no requirement to keep records in any specified form. "The requirement," according to the bulletin, "is that the employer maintain records which contain the information and data named or listed. This permits the employer considerable latitude in the order, form, and content of his records."

Although executive, administrative, professional employees and outside salesmen are not within the wage and hour requirements of the law, the revised regulations require among other things that a record be kept of the total wages or salaries paid them each pay period and show the basis on which such wages or salaries are paid. Current regulations require only recording of the name, address, and occupation of such employees.

All additions to or deductions from cash wages for rent, company store purchases, etc., may be recorded on a pay period basis where they do not affect minimum wage or overtime payments. Where they do affect cash payments of at least the minimum or overtime payments, they must be

recorded on a weekly basis and employers must preserve "all records used . . . in determining the original cost, operating and maintenance cost, and depreciation and interest charges." Such records must be preserved two years.

Additional record-keeping is required of establishments claiming exemptions from the 40-hour week as processors of agricultural products or industries of a "seasonal" nature. Packing and canning establishments claiming the two 14-weeks exemptions from the 40-hour week available to them must post a notice at the end of each pay period showing which type of exemption they were operating under for the period. Reason for this is that while one type of exemption is an unlimited release from the 40-hour week, the other calls for payment of time and a half after 12 hours a day and 56 hours a week. Further, workers employed when neither of the exemptions are in effect are entitled to time and a half after 40 hours. Such a notice also must be posted to show certain interested employees when an exemption from the 40-hour week is claimed by establishments handling, slaughtering, or dressing poultry or livestock.

The regulations are further extended by the requirement that employers within the coverage of the Act, because of the interstate nature of their business, record the name, address, occupation, and place of employment, also date of birth if under 19, of employees exempt from both the minimum wage and the 40-hour week under Section 13 of the Act. Such employees include, among others, employees in the fish industry, agricultural workers, and employees of small establishments processing certain agricultural commodities.

The Association has arranged to obtain and mail to each member a copy of the new bulletin, which is entitled, "How to Keep Wage and Hour Records."

Wage-Hour Position on Bonus Payments

A statement defining bonuses which do not affect overtime payments has been issued by the Wage and Hour Division of the Department of Labor. At the time the Fair Labor Standards Act of 1938 went into effect the Division took the position that production bonuses were part of an employee's pay and should be included in the computation of overtime. That is still the position of the Division, it is stated, but employers recently have written that they were hesitant about giving their employees bonuses from currently enlarged earnings and the following statement is issued to dispel their doubts:

Where it can be conclusively demonstrated that a particular payment is a gift or gratuity, it need not be included in computations of the regular rate of pay. In bonus plans of this category, the payment and the bonus are solely in the discretion of the employer. The sum is determined by him. The employee has no contract right, express or implied, to any amount. This type of bonus is illustrated by the employer who pays his employees a share of the profits of his business or a lump sum at Christmas time without having previously promised, agreed or arranged to pay such bonus. In such case, the employer determines that a bonus is to be paid and also sets the amount to be paid. Bonus payments of this type will not be considered a part of the regular rate at which an employee is employed, and need not be included in computing his regular hourly rate of pay and overtime compensation.

New Set-up for OPM Industrial Branches

The assignment of 28 industrial branches among the Divisions of Production, Purchases, Civilian Supply, and Materials, was announced September 10 by William S. Knudsen, director general of the Office of Production Management. Following the President's executive order placing the Civilian Supply Division in OPM, rearrangement of the industrial branches to handle various problems of industry was made in accordance with that change.

The new line-up makes Douglas C. MacKeachie director of the Division of Purchases, and the following branches of this Division will assume primary responsibility for dealing with industries in which defense procurement of finished products is a major problem: Food supply, textiles, clothing and equipage, health supplies and civilian defense equipment, containers.

The Division of Materials, under W. L. Batt, will deal with the manufacture and importation of industrial and raw materials and industrial services essential to defense, and includes these branches: Aluminum and magnesium, chemicals, iron and steel, power, nickel, tungsten, copper and zinc, manganese and chromium, tin and lead, mica and graphite, and miscellaneous materials.

The Division of Civilian Supply, with Leon Henderson as director, will handle industries serving predominantly civilian needs, and includes the following branches: Pulp and paper, printing and publishing, lumber and building materials, plumbing and heating, automotive and transportation equipment, electrical products and consumer durable goods, industrial machinery, and rubber and rubber products.

The Division of Production will deal with problems in connection with the manufacture of implements of war and defense construction projects. No industrial branches are contemplated for the Divisions of Priorities, Labor, or Contract Distribution.

Alaska Salmon Pack Report

The following figures on the Alaska salmon pack, as reported by the U. S. Fish and Wildlife Service, show the pack by districts and species through September 6, 1941:

DISTRICT	Coho	Chum	Pink	King	Red	Total
	Cases	Cases	Cases	Cases	Cases	Cases
Bristol Bay*	1,827	49,332	.....	2,822	569,867	623,848
Alaska Peninsula:						
North side*		4,636	83	176	35,959	40,854
South side*	17,298	163,058	230,541	3,008	97,695	511,000
Chignik*	1,842	15,036	15,635	296	54,951	87,760
Kodiak*	10,341	55,599	521,465	570	97,192	685,167
Cook Inlet*	30,586	23,944	35,048	27,319	90,368	207,265
Resurrection Bay*	334	.....	1,083	.....	1,015	2,432
Prince Wm. Sound*	4,369	73,637	212,729	96	5,966	296,797
Copper River:						
Summer Pack*			4,282	34,368	38,650	
Fall Pack	42,082	.....	.....	394	42,476	
Yakutat	10,682	443	4,505	799	18,615	35,044
Icy Strait*	10,231	17,418	218,163	232	8,948	254,992
Western*	20,233	54,065	562,046	456	16,962	653,762
Eastern*	9,210	64,880	601,161	113	9,079	684,443
Wrangell	30,100	33,066	631,768	10	28,496	723,440
South Prince of Wales:						
Island	32,569	58,267	585,861	36	11,483	688,316
Southern	34,608	69,205	1,009,691	99	42,904	1,156,507
Totals	256,321	682,586	4,629,779	40,314	1,124,262	6,733,262

*Final.

WICKARD ASKS FOR FOOD STOCKPILES

Defense Expansion of Farm Production to Provide for Canned Food Reserves

Among the production goals he cited on his National Farm and Home Hour broadcast from San Francisco, September 8, Secretary of Agriculture Claude R. Wickard made specific mention of the need for building up a supply of foods, over and above the normal carryover. "We need to build a stockpile of finished foods like canned pork and evaporated milk and canned vegetables and dried eggs," he asserted.

"These are things that will keep. They won't ever go obsolete. We need these stockpiles to insure our own people a more plentiful supply of these nutritious foods and to give the starving, conquered people of Europe something that will spur them on in their resistance to the aggressor." The Secretary also pointed to the need of such reserves of food to exert maximum influence at the peace conference table.

At another stage of the address he said that "from the point of view of nutrition we need to consume many more vegetable crops, especially the green and leafy vegetables, so rich and important in minerals and vitamins. We need to eat more of certain fruits and more tomatoes."

His broadcast indicated that the 1942 farm production campaign will provide for a mobilization of American agriculture to adjust production to domestic needs for national defense and needs of countries resisting invasion.

The 1942 goals mentioned provide for a total farm production 15 per cent higher than the 1924-29 average. In 1940 farm production was the highest on record, and the 1941 production is higher still. The 1942 goal asks for the third annual increase in a row.

The program will involve increases in hogs, eggs, evaporated milk, dry skim milk, cheese, chickens, and oil-producing crops; decreases in some crops; and a continuation of about the current level, or less, on the basic crops—cotton, corn, wheat, tobacco, and rice.

Discussion of these goals and plans for enlisting farmer participation is scheduled for the series of September regional agricultural conferences announced in last week's INFORMATION LETTER.

Mr. Wickard's first official act in the direction of the new production goals was announced in the following language:

Under recent legislation, the Secretary of Agriculture is ordered to use the machinery of the national farm program to maintain prices for non-basic farm products for which the Secretary finds it necessary to encourage expansion in production. These prices are to be maintained at a minimum of 85 per cent of parity. The law also provides that notice must be given when it is found necessary to decrease the production of any such commodities, in order that farmers may adjust their production downward. I think this is a splendid law. Under it I have issued a proclamation covering pork, eggs, evaporated milk, dry skim milk, cheese, and chickens through the year 1942. Public proclamation covering other commodities will be issued as necessary to give special encouragement to expansion of production.

CANNING CROP ESTIMATES

Department of Agriculture Issues Report Based on September 1 Conditions

The Department of Agriculture issued on September 11 reports on truck crops for commercial processing based upon conditions and prospects as of September 11. Following are data from the reports upon the individual crops.

LIMA BEANS

The September 1 indicated production of lima beans was 38,020 tons (shelled) as compared with 26,140 tons in 1940. Hot, dry weather inflicted some damage to the crop in Michigan, but in most of the other important producing States the yields in prospect on September 1 were better than obtained in 1940. Details for the various States follow:

State	Acreage		Production	
	Harvested 1940	Planted 1941	1940	Indicated 1941
	Acres	Acres	Tons	Tons
New Jersey	8,000	12,100	3,920	6,960
Delaware	10,000	12,000	5,650	7,500
Maryland	3,100	4,100	1,970	2,660
Virginia	5,950	6,700	3,000	5,530
Michigan	1,830	2,020	810	810
Wisconsin	2,200	2,400	1,250	1,620
Other States	15,440	21,080	7,480	12,940
Total	46,520	60,400	26,140	38,020

GREEN AND WAX BEANS

Condition of the crop on September 1 indicated a production of 122,600 tons, compared with 114,020 tons in 1940. Reports indicate that growers in the late producing, or Northern States, expect to finish picking their snap beans for canning early in September, but in some of the Southern States a fall crop will be available for processing until late October or early in November, when frosts usually end the season.

KRAUT CABBAGE

The tonnage of cabbage produced on acreage contracted by kraut packers or obtained by purchase on the open market is estimated at 172,100 tons this year. This production, indicated by reports on the condition of the crop on September 1 and probable yield per acre, is 7 per cent less than the 185,200 tons harvested in 1940. In Wisconsin, Indiana, Minnesota, and Washington, the September 1 yield prospects were more favorable than usual. The following table furnishes details:

State	Acreage		Production	
	Harvested 1940	Planted 1941	1940	Indicated 1941
	Acres	Acres	Tons	Tons
New York	6,800	7,000	72,800	61,600
Ohio	2,000	2,100	19,200	15,500
Indiana	2,400	2,800	11,500	18,200
Illinois	500	500	4,000	2,700
Michigan	1,000	1,000	7,100	6,100
Wisconsin	4,700	5,500	41,800	40,200
Minnesota	250	230	2,600	2,000
Colorado	300	300	3,300	3,000
Washington	350	400	3,500	3,700
Other States	2,420	2,250	19,400	19,100
Total	20,720	22,100	185,200	172,100

SWEET CORN

September 1 prospects continue to indicate a record-high production of sweet corn for processing. A total of 1,088,900 tons is now estimated by the U. S. Department of Agriculture for 1941, on the basis of reports received from canners and freezers containing information on the condition of the crop on September 1 and probable yield per acre. This tonnage is 50 per cent above the 727,500 tons estimated for 1940, and exceeds the previous record-high production of 1,014,100 tons obtained in 1925 by 7 per cent.

During the last two weeks in August, the slight decline in yield prospects for Michigan, Iowa, and Nebraska were more than offset by the improvement that took place in several important States including Ohio, Indiana, Wisconsin, Minnesota, Maryland, Tennessee, Oregon, and Washington.

GREEN PEAS

The 1941 preliminary estimate of production of green peas for canning, freezing or other processing, is 347,930 tons, according to the U. S. Department of Agriculture. The tonnage estimated for this year exceeds the previous record-high 1940 production of 307,120 tons by 13 per cent. It is estimated that 29,520 tons were frozen this year, as compared with 26,380 tons in 1940. Of the total acreage harvested in 1941 for canning, freezing or other processing totaling 364,850 acres, it is estimated that 33,330 acres were harvested for freezing. This leaves 331,520 acres harvested for canning purposes in 1941. In 1940, 33,240 acres were estimated for freezing from the total harvested acreage of 331,340 acres, leaving 298,100 acres for canning in that year.

PIMENTOS

The 1941 production of pimientos indicated on September 1 for processing in California and Georgia is 12,800 tons, compared with an estimated 1940 production of 13,020 tons. The crop in Georgia is reported to be two or three weeks later than usual, but it is expected that picking will reach its peak during the latter part of September. Seasonal progress is indicated for California.

TOMATOES

Prospects for processing tomatoes on September 1 were slightly more favorable than the Department of Agriculture reported on August 15. The nation's 1941 production for canning and products manufacture is now estimated at 2,420,800 tons. In 1940, 2,274,700 tons was estimated for processing and the average production for the 10-year (1930-39) period is 1,579,600 tons. Only a few scattered areas including Colorado, Iowa, the Ozarks, the Eastern Shore and Pennsylvania showed the effects of hot weather or local storms, and losses were not severe.

Dry Bean Crop Estimated at 17,545,000 Bags

The indicated 1941 production of dry, edible beans, including beans grown for seed, is 17,545,000 bags of 100 pounds, according to the September 1 report of the Department of Agriculture. This is a decrease from the output as indicated on August 1, when it was placed at 18,728,000 bags. The production in 1940 was 16,074,000 bags, while the average for the period 1930-39 was 13,297,000.

Rainfall and Temperature Statistics

The following table, prepared by the Association's Division of Statistics, gives the comparative rainfall and temperature figures of the weeks ending September 10, 1940, and September 9, 1941, for the weather stations located in the principal corn and tomato producing sections:

Stations	Temperature departure from normal		Rainfall	
	1940 Degrees	1941 Degrees	1940 Inches	1941 Inches
Portland, Maine	-1	...	0.80	...
Syracuse, New York	-3	...	0.77	...
Oswego, New York	-3	+3	0.24	0.84
Buffalo, New York	0	+2	0.38	0.52
Erie, Pennsylvania	0	+7	0.92	0.53
Harrisburg, Pennsylvania	-2	+5	0.76	0.68
Atlantic City, New Jersey	0	+3	0.18	T.
Baltimore, Maryland	+1	+6	0.14	0.50
Richmond, Virginia	0	+5	0.55	1.90
Lynchburg, Virginia	+3	+7	0.29	0.09
Columbus, Ohio	+2	+8	0.18	1.67
Toledo, Ohio	+2	+6	0.21	1.35
Fort Wayne, Indiana	+4	+9	0.07	0.35
Indianapolis, Indiana	+4	+8	0.49	0.69
Peoria, Illinois	+7	+9	1.10	2.05
Madison, Wisconsin	+5	+5	0.03	6.03
La Crosse, Wisconsin	+5	+5	0.02	4.05
Minneapolis-St. Paul, Minnesota	+7	+1	0.16	1.52
Dubuque, Iowa	+4	+5	0.56	5.91
Davenport, Iowa	+5	+7	1.69	2.16
Charles City, Iowa	+5	+5	1.16	3.34
Des Moines, Iowa	+8	+3	0.08	3.56
Omaha, Nebraska	+5	...	0.07	...
Springfield, Missouri	+3	+5	T.	1.62
Bentonville, Arkansas	+3	+6	1.10	1.80
Denver, Colorado	+4	-5	1.18	1.08
Salt Lake City, Utah	+1	-6	0.31	0.34
Sacramento, California	-3	+5	T.	0.00
Fresno, California	-5	0	0.00	0.00

The Corn Earworm on Lima Beans and Its Control

Control of the corn earworm through the use of sprays and dusts is described in a recent circular issued by the U. S. Department of Agriculture entitled "The Corn Earworm on Lima Beans and Its Control," No. E-547, August, 1941. The spray, dust and bait formulas recommended are based on the results of five seasons' work. These measures also are effective in reducing corn earworm damage on snap beans. The Association's Raw Products Bureau has obtained a few copies of this publication which are available to members upon request.

The corn earworm, also known as the tomato fruitworm and the cotton bollworm, frequently causes severe damage to the fall crop of lima beans in numerous sections of the United States, it is pointed out. It attacks this crop after corn in the vicinity has dried out and is no longer attractive to the moths for egg deposition. Damage to lima beans is caused by the feeding of the earworms on the blossoms and pods.

Hatching occurs in from three to six days after the eggs are deposited, the length of time depending on the temperature. Soon after hatching, the small worm, or caterpillar, begins to feed on the leaf upon which the egg was laid, later wandering about and feeding on the leaves, blossoms, and developing pods until about three-fourths of an inch in length before boring into and feeding on the contents of pods. The worms grow rapidly and in the fall months usually reach full size in from 22 to 28 days after hatching.

The worm makes a round hole through the pod wall and often completely devours the contents of the pod. The

holes vary in size, but normally range in diameter from about one-fourth to one-half inch and may appear at any point on the surface of the pod. Frequently pods thus affected do not contain larvae, since several pods are often damaged by one larva. The injury gives the pods a very unsightly appearance, necessitating hand culling prior to marketing the crop.

In cases where wormy pods are not culled out prior to shipment, the worms present in pods enclosed in the hampers may leave these pods and enter worm-free pods, thus adding to the damage while in transit. When the worm attacks young pods it causes many of those injured to drop.

Learning to Live with the European Corn Borer

Only a better understanding of the relation of the corn borer to its environment will greatly decrease commercial losses. In the Bi-monthly Bulletin of the Ohio Agricultural Experiment Station for May-June, 1941, the principles involved in "learning to live with the borer" are explained. These relate to environmental factors, such as temperature, rainfall, soil fertility, food, and associated factors. The condition of the corn, its height at time of moth flight, and farm management also, have an important bearing. "Other factors being equal, the best farm management is associated with the highest borer populations."

Intelligent control measures must be based on an attempt to prevent the combination of environmental factors occurring at a time when the borer will increase rapidly; in other words, throwing a monkey wrench into the gears particularly when and where nature becomes too friendly to the borer.

To do this easily and intelligently it is necessary to know what environmental factors can be adjusted or modified in such manner that life for the borer will be rendered more difficult. Planting dates and the use of borer-resistant strains of corn offer possibilities for control of the borer, and these are discussed in the article mentioned. The strains so far developed for Ohio are from field corn varieties, the work not having been extended, as yet, to include tests and comparisons of sweet corn hybrids.

The Raw Products Bureau has obtained a few copies of this issue of the Bulletin, which are available to members upon request.

N.C.A. Pleads Reduction of Canned Soup Duty

Hearings on a supplemental trade agreement with Cuba were concluded on September 9. During the course of the hearings E. M. Nuckols of counsel for the National Canners Association urged the Committee for Reciprocity Information to seek a reduction of the present excessive duty on canned soups imposed by Cuba. Filing of a brief by the Association was reported in the INFORMATION LETTER for August 30, 1941. Samuel A. Syme appeared for the California Dried Fruits Association stating that exports of dried fruits had increased materially since the 1934 agreement was negotiated and that Cuba would offer a still larger market if the duty on canned dried fruits were still further reduced.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported to the Agricultural Marketing Service by Common Carriers

Supplies of tomatoes and green peas on the fresh market for the week ending September 6, 1941, were larger than for the corresponding week in 1940, but supplies of snap and lima beans and spinach were smaller, according to the Agricultural Marketing Service, as evidenced by carlot shipments.

Supplies of citrus fruits also were smaller for the week ending September 6 this year than for the same period last year.

The following table, compiled from statistics of the AMS, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—			Season total to—	
	Sept. 6, 1940	Sept. 6, 1941	Aug. 30, 1941	Sept. 6, 1940	Sept. 6, 1941
Beans, snap and lima.....	4	1	3	4,121	3,780
Tomatoes.....	380	480	270	17,602	14,130
Green peas.....	90	167	205	5,238	5,015
Spinach.....	62	28	44	5,842	9,297
Others:					
Domestic, competing directly.....	651	815	610	51,604	51,982
Imports, competing indirectly.....	16	37	34	37	94
<hr/>					
FRUITS					
Citrus, domestic.....	2,068	1,564	2,073	148,383	161,919
Imports.....	40	56	36	84	110
Others, domestic.....	4,788	4,485	3,030	42,427	39,457

State Canners' Convention Plans Announced

Six State canners' associations have announced convention dates, as follows:

Iowa-Nebraska—November 13 and 14, Hotel Fort Des Moines, Des Moines, Iowa; Indiana—November 13 and 14 (tentative dates); Eastern Shore of Virginia—November 22, Cape Charles; Tri-States—December 4 and 5; Minnesota—December 5, Nicollet Hotel, Minneapolis; New York—December 11 and 12.

Invitation for Beet, Carrot, and Pumpkin Bids

Invitations have been issued by the Veterans Administration, Arlington Bldg., Washington, D. C., for bids on 4,550 dozen No. 10 cans of beets, 1,800 dozen No. 10 cans of carrots, and 2,070 dozen No. 10 cans of pumpkin. Bids will be opened September 19 and deliveries are to be made to the supply depots at Perryville, Md., Chicago, Ill., and San Francisco, Calif.

Revised U. S. Dry Bean Standards are Issued

The Agricultural Marketing Service has issued revised U. S. Standards for beans (dry), effective September 1. These supersede the standards made effective August 1, 1935 and amended in 1937. Classes and grades are cited and grade requirements presented for each, along with definitions.

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